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By: **Delegate Owings (By Request)**  
Introduced and read first time: February 7, 2003  
Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Veterans' Gaming - Slot Machines - Ownership and Operation**

3 FOR the purpose of removing the geographical limitation to allow every county in the  
4 State to own and operate slot machines by eligible organizations; altering the  
5 definition of "eligible organization"; and generally relating to slot machine  
6 ownership and operation.

7 BY repealing and reenacting, with amendments,  
8 Article - Criminal Law  
9 Section 12-304  
10 Annotated Code of Maryland  
11 (2002 Volume)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - Criminal Law**

15 12-304.

16 (a) In this section, "eligible organization" means a nonprofit organization that:

17 (1) has been located in [a county listed in subsection (b) of this section]  
18 THE STATE for at least 5 years before the organization applies for a license under  
19 subsection [(e)] (D) of this section; and

20 (2) is a [bona fide:

21 (i) fraternal organization;

22 (ii) religious organization; or

23 (iii) war veterans' organization] CONGRESSIONALLY CHARTERED  
24 VETERANS' SERVICE ORGANIZATION.

25 [(b) This section applies in:

- 1 (1) Caroline County;
- 2 (2) Cecil County;
- 3 (3) Dorchester County;
- 4 (4) Kent County;
- 5 (5) Queen Anne's County;
- 6 (6) Somerset County;
- 7 (7) Talbot County; and
- 8 (8) Wicomico County.]

9 [(c)] (B) (1) In this subsection, a console or set of affixed slot machines is not  
10 an individual slot machine.

11 (2) Notwithstanding any other provision of this subtitle, an eligible  
12 organization may own and operate a slot machine if the eligible organization:

- 13 (i) obtains a license under subsection [(e)] (D) of this section for  
14 each slot machine;
- 15 (ii) owns each slot machine that the eligible organization operates;
- 16 (iii) owns not more than five slot machines;
- 17 (iv) locates and operates its slot machines at its principal meeting  
18 hall in the county in which the eligible organization is located;
- 19 (v) does not locate or operate its slot machines in a private  
20 commercial facility;
- 21 (vi) uses:
  - 22 1. at least one-half of the proceeds from its slot machines for  
23 the benefit of a charity; and
  - 24 2. the remainder of the proceeds from its slot machines to  
25 further the purposes of the eligible organization;
- 26 (vii) does not use any of the proceeds of the slot machine for the  
27 financial benefit of an individual; and
- 28 (viii) reports annually under affidavit to the State Comptroller:
  - 29 1. the income of each slot machine; and
  - 30 2. the disposition of the income from each slot machine.

1 [(d)] (C) An eligible organization may not use or operate a slot machine  
2 unless:

3 (1) the slot machine is equipped with a tamperproof meter or counter  
4 that accurately records gross receipts; and

5 (2) the eligible organization keeps an accurate record of the gross  
6 receipts and payoffs of the slot machine.

7 [(e)] (D) (1) Before an eligible organization may operate a slot machine  
8 under this section, the eligible organization shall obtain a license for the slot machine  
9 from the sheriff of the county in which the eligible organization plans to locate the  
10 slot machine.

11 (2) (i) The county shall:

12 1. charge an annual fee of \$50 for each license for a machine;  
13 and

14 2. issue a license sticker to the applicant.

15 (ii) The applicant shall place the sticker on the slot machine.

16 (iii) The proceeds of the annual fee shall be transferred to the  
17 general fund of the county.

18 (3) In the application to the sheriff for a license, one of the principal  
19 officers of the eligible organization shall certify under affidavit that the organization:

20 (i) is an eligible organization; and

21 (ii) will comply with this section.

22 [(f)] (E) (1) A principal officer of the eligible organization may not  
23 intentionally misrepresent a statement of fact on the application.

24 (2) A person who violates this subsection is guilty of perjury and on  
25 conviction is subject to the penalty provided under Title 9, Subtitle 1 of this article.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
27 October 1, 2003.